

City Clerk File No. Ord. 16.149
Agenda No. 3.A 1st Reading
Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE **16.149**
TITLE: **ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) ARTICLE III (PARKING, STANDING AND STOPPING), SECTION 332-31 (PARKING RESTRICTIONS FOR STREET-CLEANING PURPOSES) OF THE JERSEY CITY MUNICIPAL CODE**

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY HEREBY ORDAINS:

- A. The following amendments to Chapter 332 (Vehicles and Traffic) Article III (Parking, Standing and Stopping), Section 31 (Parking Restrictions for Street-Cleaning Purposes) are hereby adopted:

**VEHICLES AND TRAFFIC
ARTICLE III
Parking, Standing and Stopping**

§332-21. Through §332-30. No Change.

§332-31. Parking restrictions for street-cleaning purposes.

No person shall park a vehicle upon any of the streets or sides of streets either in whole or in part, during the hours of the days listed below.

Parking Restrictions for Street-Cleaning Purposes				
Name of Street	Side	Days of the Week	Hours	Limits
<u>Wegman Court</u>	<u>South</u>	<u>Monday only</u>	<u>10:00 am to noon</u>	<u>Garfield to dead end</u>
	<u>East</u>	<u>Tuesday only</u>	<u>10:00 am to noon</u>	<u>Garfield to dead end</u>

§332-32. Through §332-33. No Change.

- B. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- C. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- D. This ordinance shall take effect retroactive to January 1, 2015.
- E. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All new material is underlined; words in {brackets} are omitted. For purposes of advertising only, new matter is indicated by **boldface** and repealed matter by *italic*.

JM/he
9/20/16

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

City Clerk File No. Ord. 16.150

Agenda No. 3.B 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.150

TITLE: AN ORDINANCE SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) ARTICLE III (PARKING, STANDING AND STOPPING) OF THE JERSEY CITY CODE AMENDING SECTION 332-24 (PARKING PROHIBITED CERTAIN HOURS) DESIGNATING 60 FEET ON THE NORTH SIDE OF LINDEN AVENUE, BEGINNING 143 FEET WEST OF OCEAN AVENUE, AS NO PARKING, THURSDAY, 8:00 A.M. TO NOON

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

1. Chapter 332 (Vehicles and Traffic) Article III (Parking, Standing and Stopping) of the Jersey City Code is hereby supplemented as follows:

Section 332-24

PARKING PROHIBITED CERTAIN HOURS

No person shall park a vehicle between the hours specified upon any of the streets or parts thereof listed below.

Name of Street	Side	Days of Week	Hours	Limits
<u>Linden Av</u>	<u>North</u>	<u>Th</u>	<u>8:00 a.m. to Noon</u>	<u>143 feet west of Ocean Av 60 feet west</u>

2. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
3. This ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
4. This ordinance shall take effect at the time and in the manner provided by law.
5. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All the material to be inserted is new and underscored.

JDS:pc
(09.16.16)

APPROVED: _____
Director of Traffic & Transportation

APPROVED AS TO LEGAL FORM

APPROVED: _____
Municipal Engineer
APPROVED: _____

Corporation Counsel

Business Administrator

Certification Required ☐
Not Required ☐

ORDINANCE FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance

AN ORDINANCE SUPPLEMENTING CHAPTER 332(VEHICLES AND TRAFFIC) ARTICLE III(PARKING, STANDING AND STOPPING) OF THE JERSEY CITY CODE AMENDING SECTION 332-24(PARKING PROHIBITED CERTAIN HOURS) DESIGNATING 60 FEET ON THE NORTH SIDE OF LINDEN AVENUE, BEGINNING 143 FEET WEST OF OCEAN AVENUE, AS NO PARKING, THURSDAY, 8:00 A.M. TO NOON

Initiator

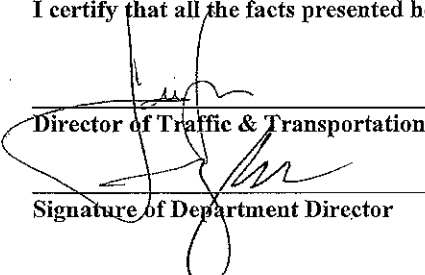
Department/Division	Administration	Engineering, Traffic and Transportation
Name/Title	Joao D'Souza at the request of Jersey City Housing Authority on behalf of the Berry Gardens Senior Citizen Development, 199 Ocean Avenue, JCNJ 07305	Director of Traffic & Transportation
Phone/email	201.547.4470	JOAO@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Ordinance Purpose

The purpose of this Ordinance is to designate 60 feet on the north side of Linden Avenue opposite the driveway to the parking lot for the Berry Gardens as "no parking, Thursday, 8 a.m. to Noon" to facilitate the Sanitation trucks hauling the garbage dumpsters turning into and exiting from the parking lot for the Berry Gardens on Linden Avenue. The no parking area will encompass the parking area between 114 and 120 Linden Avenue.

I certify that all the facts presented herein are accurate.



Director of Traffic & Transportation

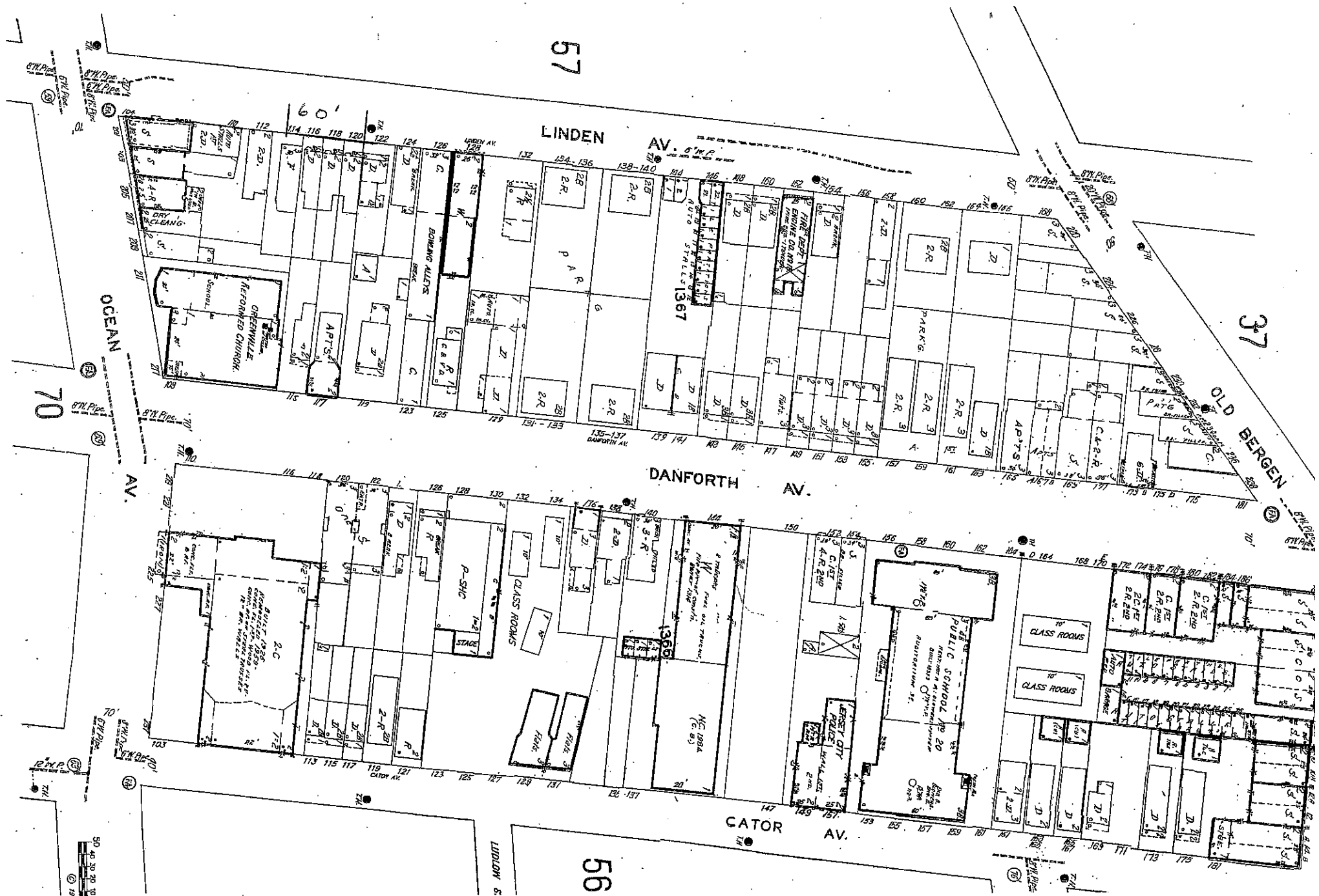
Signature of Department Director

9/16/16

Date

9/20/16

Date



City Clerk File No. Ord. 16.151

Agenda No. 3.C 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.151

TITLE: AN ORDINANCE SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) ARTICLE III (PARKING, STANDING AND STOPPING) OF THE JERSEY CITY CODE AMENDING SECTION 332-24 (PARKING PROHIBITED CERTAIN HOURS) DESIGNATING 70 FEET ON THE SOUTH SIDE OF SEVENTH STREET, BEGINNING 205 FEET EAST OF DIVISION STREET, AS NO PARKING, MONDAY THROUGH FRIDAY, 7:30 A.M. TO 9:00 A.M. AND 3:30 P.M. TO 5:30 P.M.

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

1. Chapter 332 (Vehicles and Traffic) Article III (Parking, Standing and Stopping) of the Jersey City Code is hereby supplemented as follows:

Section 332-24 PARKING PROHIBITED CERTAIN HOURS

No person shall park a vehicle between the hours specified upon any of the streets or parts thereof listed below.

Name of Street	Side	Days of Week	Hours	Limits
Seventh St	South	M - F	<u>7:30 a.m. to 9:30 a.m.</u> <u>3:30 p.m. to 5:30 p.m.</u>	<u>205 feet east of Division St 70 feet east</u>
	North	M - F	8:00 a.m. to 5:00 p.m.	94 feet west of Coles St 80 feet west

- All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- This ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- This ordinance shall take effect at the time and in the manner provided by law.
- The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All the new material to be inserted is underscored.

JDS:pc1
(09.21.16)

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED: _____
Director of Traffic & Transportation

APPROVED: _____
Municipal Engineer

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

ORDINANCE FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance

AN ORDINANCE SUPPLEMENTING CHAPTER 332(VEHICLES AND TRAFFIC) ARTICLE III(PARKING, STANDING AND STOPPING) OF THE JERSEY CITY CODE AMENDING SECTION 332-24(PARKING PROHIBITED CERTAIN HOURS) DESIGNATING 70 FEET ON THE SOUTH SIDE OF SEVENTH STREET, BEGINNING 205 FEET EAST OF DIVISION STREET, AS NO PARKING, MONDAY THROUGH FRIDAY, 7:30 A.M. TO 9:00 A.M. AND 3:30 P.M. TO 5:30

Initiator

Department/Division	Administration	Engineering, Traffic and Transportation
Name/Title	Joao D'Souza at the request of Jill Hernandez, Center Owner/Operator of the Brunswick School, 189 Brunswick Street, Jersey City New Jersey 201.420.1550	Director of Traffic & Transportation
Phone/email	201.547.4470	JOAO@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

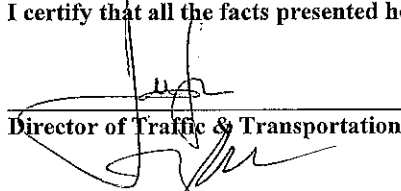
Ordinance Purpose


DESIGNATE 70 FEET ON THE SOUTH SIDE OF SEVENTH STREET, BEGINNING 205 FEET EAST OF DIVISION STREET, AS NO PARKING, MONDAY THROUGH FRIDAY, 7:30 A.M. TO 9:00 A.M. AND 3:30 P.M. TO 5:30 P.M.

This no parking area will facilitate the drop-off and pick-up of students arriving by bus and private vehicle to and from The Brunswick School.

The no parking area will help maintain optimum traffic circulation on the school street and the student's safety attending the school.

I certify that all the facts presented herein are accurate.

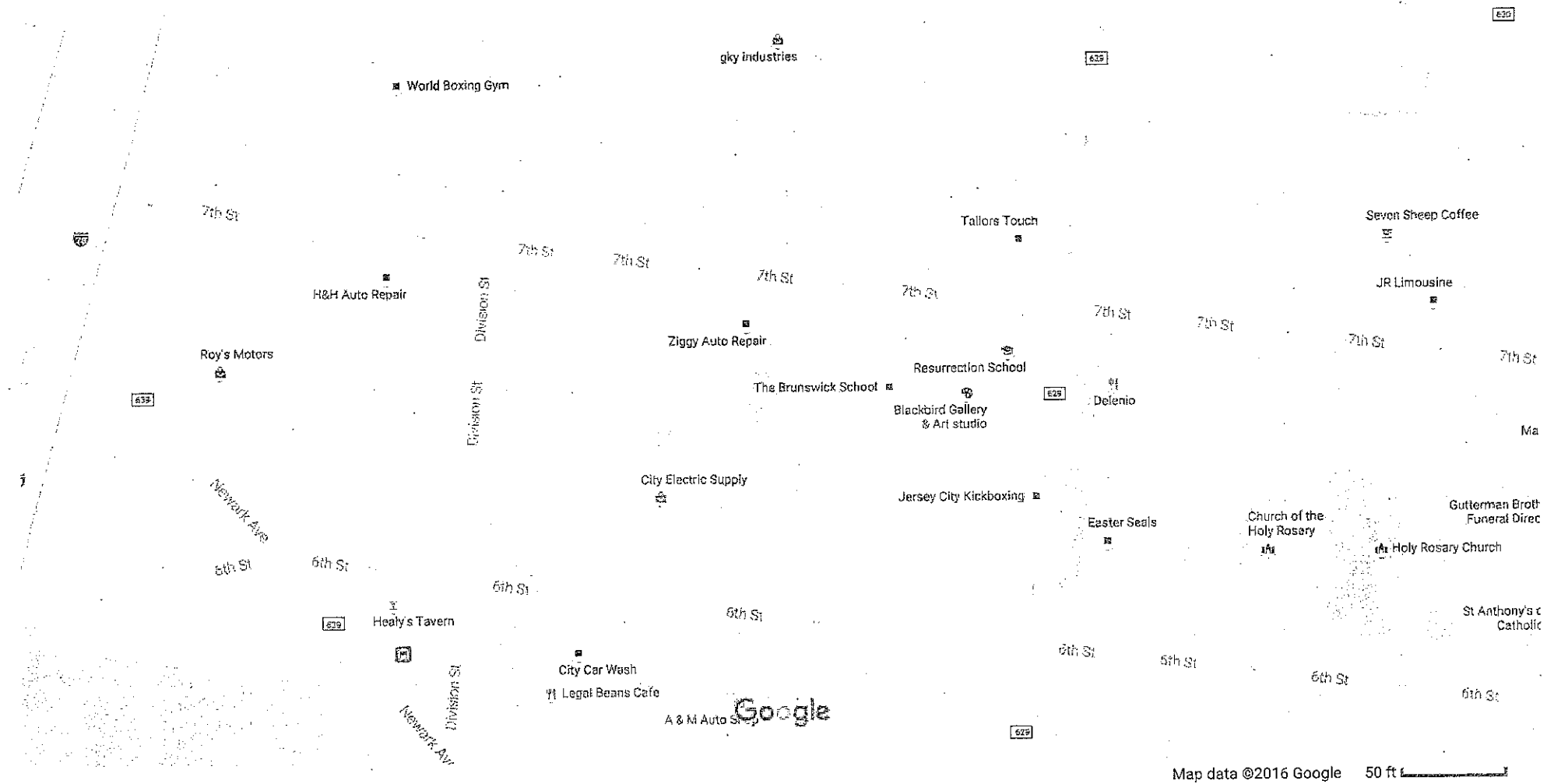

Director of Traffic & Transportation


Signature of Department Director


Date

Date

Google Maps 7th St



City Clerk File No. Ord. 16.152

Agenda No. 3.D 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.152
TITLE: **ORDINANCE AUTHORIZING THE CITY OF JERSEY CITY TO ENTER
INTO A LEASE AGREEMENT WITH THE JERSEY CITY EMPLOYMENT
AND TRAINING PROGRAM (JCETP), A NEW JERSEY NOT-FOR-
PROFIT, PURSUANT TO N.J.S.A. 40:12-14(c)**

WHEREAS, the City of Jersey City ("City") is the owner of certain personal property not needed for public purposes, i.e., those certain passenger vans which can seat up to fifteen passengers which are not utilized by the City ("Property");

WHEREAS, the City is authorized under N.J.S.A. 40A: 12-14(c) to lease personal property not needed for public use to a nonprofit organization for the promotion of the health, safety, morals and general welfare of the community;

WHEREAS, JCETP, Lessee, is an approved nonprofit 501(c)3 corporation, and the administrative entity for the Jersey City Local Workforce Investment Area ("LWIA") pursuant to the Workforce Investment Act, 29 U.S.C. Sec. 2801 et seq.;

WHEREAS, pursuant to 29 U.S.C. Sec. 2841(d) and (e), the JCETP was designated the One Stop Operator for the City LWIA;

WHEREAS, as the City's One Stop Operator, the JCETP offers various employment training programs to City residents;

WHEREAS, JCETP has been servicing Jersey City residents for the last 28 years with a mission of helping the community to work through personal outreach services, workshops to prepare job seekers, intensive services for qualified customers and youth services to support both in-school youth needing summer employment & career guidance, and out of school youth preparing to enter the workforce;

WHEREAS, JCETP operates programs out throughout Jersey City and Hudson County and desires to lease the Property for a term of approximately two (2) years, from the Effective Date, for uses in furtherance with its mission;

WHEREAS, both the City and JCETP desire to enter into this Lease of the Property;

WHEREAS, the City believes that the leasing of the Property to JCETP will promote the public's general health, safety and welfare as ready transportation access will enable and/or enhance JCETP's apprenticeship, training and work opportunities; and

WHEREAS, the City has determined that it will advance the general welfare of the residents of the City to enter into the Lease for a nominal monetary consideration of one dollar (\$1.00).

NOW, THEREFORE BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

ORDINANCE AUTHORIZING THE CITY OF JERSEY CITY TO ENTER INTO A LEASE AGREEMENT WITH THE JERSEY CITY EMPLOYMENT AND TRAINING PROGRAM (JCETP), A NEW JERSEY NOT-FOR-PROFIT, PURSUANT TO N.J.S.A. 40:12-14(e)

1. Subject to such modifications as may be deemed necessary or appropriate by Corporation Counsel, the Mayor or Business Administrator is authorized to execute a Lease Agreement in substantially the form of the attached.
2. The consideration for this lease shall be one dollar (\$1.00) and such other good and valuable consideration benefiting the public at large.
3. The public purpose of the Lease is to promote the public's general health, safety and welfare by enabling and/or enhancing transportation access JCETP's apprenticeship, training and work opportunities.
4. The number of persons benefiting from the lessee's public purpose includes clients of the JCETP and persons both within and without the municipality.
5. The term of the lease is for two (2) years.
6. The officer responsible for enforcing the conditions for the lease shall be the Director of the Department of Public Works (the "Director").
7. The lessee shall annually submit to the Director a report setting forth the use to which the leasehold was put to during the preceding year; the activities of the lessee undertaking in furtherance of the public purpose for which the lease hold was grantee; the approximate value or cost, if any, of such activities in furtherance of such purpose; and an affirmation of the continued tax- exempt status of said lessee pursuant to both State and federal law.
8. All other ordinances or prior leases in conflict or inconsistent with this ordinance or the new lease are hereby repealed, to the extent of such conflict or inconsistency. In the event of any inconsistencies between the provisions of this Ordinance and any prior ordinance of the City, the provisions hereof shall be determined to govern.
9. If any article, section, subsection, paragraph, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance and they shall remain in full force and effect, and to this end the provisions of this ordinance are hereby declared severable.
10. This Ordinance shall take effect immediately upon final passage and publication according to law.

MR/bd
September 16, 2016

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED: 

APPROVED: _____

Business Administrator

Certification Required ☐
Not Required ☐

RESOLUTION FACT SHEET - CONTRACT AWARD

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ORDINANCE AUTHORIZING THE CITY OF JERSEY CITY TO ENTER INTO A LEASE AGREEMENT WITH THE JERSEY CITY EMPLOYMENT AND TRAINING PROGRAM (JCETP), A NEW JERSEY NOT-FOR-PROFIT, PURSUANT TO N.J.S.A. 40:12-14(c)

Project Manager

Department/Division	DPW	Director's Office
Name/Title	Mark Redfield	DPW Director
Phone/email	201-547-440	markr@jcnj.org

Note: Project Manager must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

The purpose of this resolution is to:

- ✦ The City of Jersey City ("City") is the owner of certain personal property not needed for public purposes, i.e., those certain passenger vans which can seat up to fifteen passengers which are not utilized by the City.
- ✦ JCETP, Lessee, is an approved nonprofit 501(c) 3 corporation and the administrative entity for the Jersey City Local Workforce Investment Area ("LWIA") pursuant to the Workforce Investment Act, 29 U.S.C. Sec. 2801 et seq.
- ✦ JCETP operates programs out throughout Jersey City and Hudson County and desires to lease the Property for a term of approximately two (2) years, from the Effective Date, for uses in furtherance with its mission.
- ✦ The City has determined that it will advance the general welfare of the residents of the City to enter into the Lease for a nominal monetary consideration of one dollar (\$1.00).

Cost (Identify all sources and amounts)**Contract term (include all proposed renewals)**

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Type of award

Lease Agreement

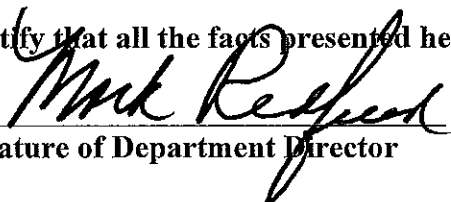
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Additional Information

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I certify that all the facts presented herein are accurate.


Signature of Department Director

9/19/16
Date

LEASE AGREEMENT

This **LEASE AGREEMENT** ("Lease") made as of _____, 201__ (the "Effective Date"), between the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, with offices at City Hall, 280 Grove Street, Jersey City, New Jersey 07302 ("City" or "Lessor") and the **JERSEY CITY EMPLOYMENT AND TRAINING PROGRAM**, Martin's Place, 398 Martin Luther King Jr. Drive Jersey City, New Jersey 07305 ("JCETP" or "Lessee").

WHEREAS, the City is the owner of certain personal property not needed for public purposes, i.e., those certain passenger vans which can seat up to fifteen passengers which are not utilized by the City ("Property");

WHEREAS, the City is authorized under N.J.S.A. 40A: 12-14(c) to lease personal property not needed for public use to a nonprofit organization for the promotion of the health, safety, morals and general welfare of the community;

WHEREAS, JCETP, Lessee, is an approved nonprofit 501(c)3 corporation, and the administrative entity for the Jersey City Local Workforce Investment Area ("LWIA") pursuant to the Workforce Investment Act, 29 U.S.C. Sec. 2801 et seq.;

WHEREAS, pursuant to 29 U.S.C. Sec. 2841(d) and (e), the JCETP was designated the One Stop Operator for the City LWIA;

WHEREAS, as the City's One Stop Operator, the JCETP offers various employment training programs to City residents, including outreach services, workshops to prepare job seekers, intensive services for qualified customers and youth services to support both in-school youth needing summer employment & career guidance, and out of school youth preparing to enter the workforce;

WHEREAS, JCETP desires to lease the Property for a term of approximately two (2)

years, from the Effective Date, for uses in furtherance with its mission;

WHEREAS, both the City and JCETP desire to enter into this Lease of the Property;

WHEREAS, the City believes that the leasing of the Property to JCETP will promote the public's general health, safety and welfare as ready transportation access will enable and/or enhance JCETP's apprenticeship, training and work opportunities; and

WHEREAS, the City has determined that it will advance the general welfare of the residents of the City to enter into the Lease for a nominal monetary consideration of one dollar (\$1.00).

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties agree as follows:

ARTICLE I

Property

The City does hereby lease to the Lessee, and the Lessee does hereby lease from the City, the following property: Up to two (2) passenger vans or busses, each of which may transport up to fifteen (15) passengers. During the lease term, should the Property be needed for public purposes, the City shall have the right to reduce the number of vans/buses that it leases, up to and including zero.

ARTICLE II

Term

This lease agreement shall be for a term of two years as of the Effective Date.

ARTICLE III

Use

Lessee shall have the right to request the use of up to two (2) vehicles from the City upon written request to the Director of the Department of Public Works (the "Director"). The days and hours

of use shall be pre-approved in writing at least three (3) days in advance by the Director. The Director shall have the right to deny such request for any reason. If the request is granted, the Property shall be returned after each use within a reasonable amount of time to the Department. Lessee shall return the Property in at least as good condition as it was delivered. Use of the Property shall be restricted to the purposes set forth herein.

Prior to the first use, Lessee shall provide the Director a list of all drivers and licenses to keep on file. Such list shall be updated and submitted to the Director as needed.

ARTICLE IV

Payment

The City has determined that it will advance the general welfare of the residents of the City to Lease the Property for a nominal monetary consideration of one dollar (\$1.00).

ARTICLE V

Indemnification

The Lessee specifically agrees to indemnify, protect, and hold harmless the City, its agents, officers and employees from and against any and all claims, demands, suits, causes, actions or judgments, that may be made or pursued by the Lessee or its agents, employees, officers, volunteers, or other persons, including a customer or visitor at the JCETP, in connection with or incidental to use of the Property, whether or not said claims, demands, suits, causes, actions or judgments are caused by the sole negligence of the City, its agents, officers or employees, or whether it was caused by concurrent negligence of the City and the Lessee, or whether it was caused by concurrent negligence of the City and some other third party. This indemnification shall survive the termination of the lease as to any acts or incidents which occurred during the term of the lease.

ARTICLE VI

Termination

Either party shall have the right to terminate the lease at any time during the Lease Term by giving the other party thirty (30) days' written notice prior to the effective date of termination.

ARTICLE VII

Validity of Lease

The terms, conditions, covenants, and provisions of this Lease shall be deemed to be severable. If any clause or provision herein contained shall be adjudged to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity or any other clause or provision herein, but such other clauses or provisions shall remain in full force and effect.

ARTICLE VIII

Notices

All notices required under the terms of this Lease shall be given and shall be complete by mailing such notices by certified mail, return receipt requested, or by hand delivery to the addresses below:

City:

City of Jersey City
Robert Kakoleski, Business Administrator
City Hall
280 Grove Street, Room 108
Jersey City, New Jersey 07302

Lessee:

Jersey City Employment and Training Program
Martin's Place
398 Martin Luther King Jr. Dr.
Jersey City, NJ 07305

ARTICLE IX

Entire Contract

This lease contains the entire agreement between the parties. No representative, agent, or employee of the City has been authorized to make any representations or promise with reference to the within to vary, alter, or modify the terms hereof. No additions, changes or modifications, renewals or extensions hereof, shall be binding unless reduced to writing and signed by the City and the Lessee.

ARTICLE X

Insurance

The Lessee agrees to supply the City with a certificate of insurance evidencing liability coverage naming City as an additional insured, as further set forth in **Exhibit A**. Should Lessee seek to modify the insurance requirements under this Lease, such requests shall be pre-approved by the City's Risk Manager. The Lessee shall supply City with the certificate of insurance prior to commencement of the Lease, and such coverage shall remain in effect throughout the term of the Lease.

IN WITNESS WHEREOF, the parties to this agreement have executed this Lease Agreement as of the above Effective Date.

ATTEST:

CITY OF JERSEY CITY

ROBERT BYRNE
City Clerk

ROBERT KAKOLESKI
Business Administrator

WITNESS:

JERSEY CITY EMPLOYMENT AND
TRAINING PROGRAM

By: _____

By: _____

Title: _____

Title: _____

EXHIBIT A
INSURANCE REQUIREMENTS

LESSEE shall purchase and maintain the following insurance during the terms of this Agreement:

- Comprehensive General Liability: including Premises Operations, Products and Completed Operations, and Independent Lessee Coverage - covering as insured the LESSEE with not less than ONE MILLION (\$1,000,000.00) DOLLARS per occurrence and TWO MILLION (\$2,000,000.00) DOLLARS in aggregate
- Automobile Liability Coverage: naming as insured the LESSEE with not less than ONE MILLION (\$1,000,000.00) DOLLARS combined single limit for Bodily Injury and Property Damage Liability, including non-owned Automobile Liability Coverage
- Workmen's Compensation Insurance: benefit securing compensation for the benefit of the employees of the LESSEE with NJ statutory limits and Employer's Liability in the amount of ONE MILLION (\$1,000,000.00) DOLLARS

Before commencing the work, the LESSEE shall furnish the CITY certificates of such insurance upon execution of this Contract. Except for workers' compensation, all certificates shall name the City of Jersey City as an additional insured.

City Clerk File No. Ord. 16.153
Agenda No. 3.E 1st Reading
Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.153

TITLE: AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 10901, LOT 106, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 461-469 NEWARK AVENUE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, the City of Jersey City as an area in need of rehabilitation, is authorized to adopt an ordinance to utilize tax exemptions pursuant to N.J.S.A. 40A:21-1, et seq., the Five (5) Year Exemption and Abatement Law; and

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060, Section 304-6 et seq. of the Municipal Code, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for the construction of a new six (6) story building to contain approximately twenty-five (25) market rate residential units with a ground floor parking garage with approximately 5,311 square feet for twenty-five (25) parking spaces on the Property, is permitted for a period of five (5) years; and

WHEREAS, 461-463 Newark Avenue, LLC [Entity], is the owner of Property designated as Block 10901, Lot 106, on the City's Tax Map and more commonly known by the street address of 461-469 Newark Avenue, Jersey City, NJ; and

WHEREAS, the Entity now plans to construct a new six (6) story building to contain approximately twenty-five (25) market rate residential units with a ground floor parking garage with approximately 5,311 square feet for twenty-five (25) parking spaces on the Property; and

WHEREAS, construction should be substantially complete on or about March 2018; and

WHEREAS, on August 30, 2016, the Entity filed an application for a five (5) year tax exemption to construct a new market rate residential rental Project, a copy of which application is attached hereto; and

WHEREAS, 461-463 Newark Avenue, LLC, proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and are currently taxed at the sum of \$18,621) a tax payment for the new improvements on the property, as follows:

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 10901, LOT 106, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 461-469 NEWARK AVENUE

- (a) 2017: the tax year in which the structure will be completed, \$0 taxes due on improvements;
- (b) 2018: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$21,309;
- (c) 2019: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$42,617;
- (d) 2020: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$63,926; and
- (e) 2021: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$85,235;

WHEREAS, the Tax Assessor has determined that the new construction will generate an additional tax payment of \$18,621 for land and \$106,544 for improvements, for a total of \$125,165 a year; and

WHEREAS, the applicant has agreed that in the event the Citywide revaluation results in a decrease in the estimated amount of actual taxes otherwise due, then for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the commercial Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

WHEREAS, upon the expiration of the tax exemption, the total assessment, including both land and improvements, will generate a total tax payment of \$125,165; and

WHEREAS, 461-463 Newark Avenue, LLC, has agreed to pay the sum of \$45,467 to the City's Affordable Housing Trust Fund, which shall be paid in intervals set forth in Section 304-28 of the Municipal Code.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of a new six (6) story building to contain approximately twenty-five (25) market rate residential units with a ground floor parking garage with approximately 5,311 square feet for twenty-five (25) parking spaces on the Property, located in Block 10901, Lot 106, and more commonly known by the street address of 461-469 Newark Avenue, Jersey City, N.J., is hereby approved.
2. The Mayor or Business Administrator is hereby authorized to execute a tax exemption agreement which shall contain at a minimum, the following terms and conditions:

- (a) tax payment on the new improvements shall be:
 - (i) Year 1: the tax year in which the structure will be completed, \$0 taxes;

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 10901, LOT 106, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 461-469 NEWARK AVENUE

- (ii) Year 2: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$21,309;
- (iii) Year 3: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$42,617;
- (iv) Year 4: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$63,926; and
- (v) Year 5: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$85,235.

The applicant has agreed that in the event the Citywide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder; during this five (5) year period, the amount due hereunder shall be calculated on the higher of the amount estimated above or the actual taxes due after the revaluation; and

(b) The project shall be subject to all federal, state and local laws, and regulations on pollution control, worker safety, discrimination in employment, zoning, planning, and building code requirements pursuant to N.J.S.A. 40A:21-11(b).

(c) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The collector forthwith ad the tax collector shall, within 15 days thereof, notify the owner of the property of the amount of taxes due.

(d) With respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption shall continue, and the agreement shall remain in effect.

(e) At the termination of a tax exemption agreement, the new improvements shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a project, at the termination of an agreement, from qualifying for, an receiving the full benefits of, any other tax preferences provided by law.

(f) Affordable Housing Trust Fund: \$1,500 x twenty-five (25) residential units plus \$1.50 x 5,311 square feet of ground level parking garage space, for a total of \$45,467.

- 3. An obligation to execute a Project Employment and Contracting Agreement and Project Labor Agreement to insure employment and other economic benefits to City residents and businesses.
- 4. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project achieves Substantial Completion within thirty-six (36) months of the date of adoption of the within Ordinance.

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 10901, LOT 106, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 461-469 NEWARK AVENUE

5. The form of tax exemption agreement is attached hereto as Exhibit B, subject to such modification as the Corporation counsel or Business Administrator deems necessary.
6. The Tax Assessor shall send a copy of the fully executed Financial Agreement will be sent to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of execution pursuant to N.J.S.A. 40a:21-11(d).
- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner provided by law.
- D. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

LC/he
9/20/16

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

DATE: September 16, 2016

TO: Lee Chang (For distribution to City Council and City Clerk)

FROM: Al Cameron, Fiscal Officer - Tax Collector's Office

SUBJECT: FIVE YEAR TAX ABATEMENT: MARKET RATE RESIDENTIAL RENTAL PROJECT
461- 463 NEWARK AVENUE, LLC - Block 10901 Lot 106

CC: M. Cosgrove, J. Monahan, E. Borja, E. Toloza, M. Vigil, R. Kakoleski, R. Lavarro,
P. Leandre, K. Kane

INTRODUCTION:

The applicant, 461- 463 Newark Avenue, LLC, is applying for a five (5) Year tax abatement for a six (6) story, twenty-five (25) unit market rate residential rental project pursuant to N.J.S.A. 40 A: 21-1 et seq. A fee of \$5,000 was paid with the application.

LOCATION OF THE PROPERTY:

The property is located at 461-463 Newark Avenue at the corner of Newark and Waldo Avenues. It is Block 10901, Lots 106 on the Jersey City Tax Map. The property is currently vacant. It is split zoned, located in both R-1 and Neighborhood Commercial Zones.

PROPERTY TO BE CONSTRUCTED:

The site is on a slope, with a seventeen (17) foot difference in height from Waldo Avenue to Newark Avenue. The project will be five (5) stories on the Waldo Avenue side and six (6) stories on the Newark Avenue side. It will have twenty-five market rate (25) residential units over a ground floor parking garage with twenty-five (25) parking spaces.

The twenty-five (25) residential units are as follows:

<u>Unit Type</u>	<u>Number of Units</u>
One Bedroom	6
Two Bedroom	19
Total	<u>25</u>

TOTAL CONSTRUCTION COST:

The cost of construction is certified by the applicant's architect, Anthony Vandermark, at \$6,345,000.

The cost of direct labor is projected at \$2,480,000 and materials at \$3,720,000. These

461-463 Newark Avenue, LLC 5-Yr. Sum.docx
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projections do not include architectural (\$85,000) and engineering (\$60,000).

CONSTRUCTION SCHEDULE:

Applicant is prepared to start construction start once all approvals are in place. Completion is projected within sixteen (16) months of commencement.

ESTIMATED JOBS CREATED:

The applicant estimates thirty-five (35) full-time equivalent jobs during construction. One (1) full-time post construction real estate management position is anticipated. Based upon the projected cost of construction a Project labor agreement is not required. However; the applicant will execute a Project Employment and Contracting Agreement.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:

461-463 Newark Avenue, LLC

		Rate	Amount
Residential Units	25	\$1,500.00	\$37,500.00
Square footage Parking Garage	5,311	\$1.50	\$7,966.50
Total AHTF Payment			<u>\$45,466.50</u>

CURRENT REAL ESTATE TAXES:

The new assessment provided by the Tax Assessor for the land is \$241,800 and the proposed building is \$1,383,500. Based upon that assessment at the current rate of \$77.01 the tax for the land is \$18,621. The full tax on the improvements at current the rate is \$106,543.

PROPOSED ABATEMENT:

The applicant has requested a term of five (5) years for the abatement on the improvements. The Applicant will pay the full tax for the land tax in each and every year of the abatement and has proposed a phase-in of the assessment on improvements.

In year one (1) the applicant proposes no taxes on improvements.

In year two (2) the applicant would pay taxes on twenty percent (20%) of the improvements.

The applicant would pay forty percent (40%) in year three (3), sixty percent (60%) in year four (4), Eighty percent (80%) in year five (5) and full taxes in year six (6).

PROPOSED REVENUE TO THE CITY:

Block 10901 Lot 106

Tax Projections on Improvements Only

461-463 Newark Avenue						Five Year
Year	1	2	3	4	5	Totals
Current Tax Rate	77.01	78.55	80.12	81.72	83.36	
Full Tax on Improvements	106,543.34	108,674.20	110,847.69	113,064.64	115,325.93	554,455.79
Phase in %	0%	20%	40%	60%	80%	
Phase in Tax on improvements	0.00	21,734.84	44,339.07	67,838.78	92,260.75	226,173.44
Exempted Tax	106,543.34	86,939.36	66,508.61	45,225.86	23,065.19	328,282.35

Assumes 2% Annual Tax Rate Increase

Per Tax Assessor

Assessments

Land \$241,800

Improvements \$1,383,500

Total \$1,625,300

The total phased-in tax on improvements projected to be paid for the five-year term of the abatement is \$226,173.

The total tax exempted on the improvements for the term is \$328,282. The Tax Assessor set the assessment based upon information provided by the Applicant.

The schedule below adds a two percent (2%) annual increase in the tax rate. The Assessor's Schedule does not include a projected increase in the Tax Rate.

461-463 NEWARK AVE., LLC
BLOCK 10901 Lot 109
461 Newark Avenue

10901-106

Block	Lot		Existing Assessments	New Assessments	Assessment (Phased-In)
4701	36.01	Land	104,100	241,800	-
		Bldg	-	1,383,500	1,383,500
		Total	104,100	1,625,300	1,383,500

**Est. In-Lieu of Full Property Tax On Such Property An
Amount Equal To A Percentage Of Taxes Otherwise Due,
According To The Following Schedule:**

Stage

1	In the first full tax year after completion, no payment in lieu of taxes otherwise due;	0
2	In the second tax year, an amount equal to 20% of conventional taxes otherwise due, estimated to be the sum of;	\$ 21,308.67
3	In the third tax year, an amount equal to 40% of conventioal taxes otherwise due, estimated to be the sum of ;	\$ 42,617.33
4	In the fourth tax year, an amount equal to 60% of conventioanal taxes otherwise due, estimated to be the sum of;	\$ 63,926.00
5	In the fifth tax year, an amount equal to 80% of conventional taxes otherwise due, estimated to be the sum of;	\$ 85,234.67
AT THE EXPIRATION OF THE EXEMPTION, THE PROJECT'S NEW IMPROVEMENT TAXES		\$ 106,543.34

8/24/2016

FISCAL IMPACT COST PROJECTION (TIER 1 - 5 YEAR)

Block: 10901 Lot: 106 Loc: 461-463 NEWARK AVE.

Market Rate Units	Number of Units	Demographic Multipliers (Transit Oriented Development)*		Total		Annual Expenditures		Total Annual Expenditures		
		Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
1 Bedroom	6	1.421	0.050	8.53	0.30	\$1,172.97	\$3,673.00	\$10,000.77	\$1,101.90	\$11,102.67
2 Bedroom	19	2.012	0.120	38.23	2.28	\$1,172.97	\$3,673.00	\$44,840.41	\$8,374.44	\$53,214.85
TOTAL	25			46.75	2.58			\$54,841.17	\$9,476.34	\$64,317.51

1. Total Municipal Ratables	\$6,093,045,337	4. CY 2016 Budget	\$570,918,095	6. Population of Jersey City (2014 Census)	262,146	9. Increase in Services Incurred Per Development	\$ 64,317.51
2. Residential Ratables	\$3,281,646,604			7. Per Capita Municipal Cost	\$1,172.97	10. Anticipated Taxes (77.01 w/ 2% Annual Increase)	
Commercial Ratables	\$1,524,059,780					1st Year	\$ 18,621.02
						2nd Year	\$ 40,728.28
3. Residential Ratables as a Percentage of Total Ratables	53.86%	5. Residential Portion	\$307,490,150	8. Annual Expenditures Per Student**	\$3,673.00	3rd Year	\$ 63,712.38
						4th Year	\$ 87,599.56
						5th Year	\$ 112,416.73
						11. Implied Surplus (Cost)	
						1st Year	\$ (45,696.50)
						2nd Year	\$ (23,589.24)
						3rd Year	\$ (605.13)
						4th Year	\$ 23,282.04
						5th Year	\$ 48,099.22

Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs

*Source: New Jersey Demographic Multipliers: Profile of the Occupants of Residential and Nonresidential Development; Listokin, November 2006

**Source: 2015-2016 Jersey City Municipal Cost Per Pupil

NEW ASSESSMENT AFTER IMPROVEMENTS

LAND: 241,800
BLDG: 1,383,500

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this _____ day of _____, 2016, by and between the **CITY OF JERSEY CITY** [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey 07302, and, **461-463 NEWARK AVENUE, LLC** [Applicant/Owner], whose principal place of business is 503 Division Street, Perth Amboy, New Jersey 08862.

WITNESSETH:

WHEREAS, the Municipal Council has indicated by its intention to utilize the five year tax exemption provisions authorized by Article VIII, Section I, paragraph VI of the NJ State Constitution and the Five Year Exemption Law, N.J.S.A. 40A:21-1 et seq. for improvements and projects by the adoption of Ordinance 05-060, as amended by Ordinances 07-146 and 14-027; and

WHEREAS, the Applicant is owner of certain property located at 461-469 Newark Avenue, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block 10901, Lot 106 on the Tax Assessor's Map, and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

WHEREAS, on or about September 3, 2016, the Applicant applied for a five year tax exemption to construct a new six (6) story building to contain approximately twenty-five (25) market rate residential units with a ground floor parking garage with approximately 5,311 square feet for twenty-five (25) parking spaces on the Property pursuant to N.J.S.A. 40A:21-1 et seq and Section 304-12 of the Municipal Code [Law]; and

WHEREAS, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance _____ on _____.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of a new six (6) story building to contain approximately twenty-five (25) market rate residential units with a ground floor parking garage with approximately 5,311 square feet for twenty-five (25) parking spaces on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-

1 et seq. and Ordinance _____ which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make estimated payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar of Year 1, no payment in lieu of taxes;
2. For the full calendar of Year 2, twenty (20%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$21,309;
3. For the full calendar of Year 3, forty (40%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$42,617;
4. For the full calendar of Year 4, sixty (60%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$63,926; and
5. For the full calendar of Year 5, eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$85,235.

In the event a City-wide revaluation results in decrease in the amount of taxes otherwise due, payment hereunder shall be the higher of either the taxes estimated above or the amount of actual taxes after the City-wide revaluation.

ARTICLE III: APPLICATION FEE

The Applicant has paid the sum of **\$5,000** to the City as an application fee. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES IV: FEDERAL, STATE AND LOCAL LAW

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

ARTICLE V: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full years beginning the first day of the month after the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or

the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VI: REVALUE

The applicant has agreed that in the event the revalue results in a decrease in the amount of actual taxes otherwise due, for purposes of calculating a tax payment hereunder during the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes.

ARTICLE VII: NO COUNTY EQUALIZATION AND SCHOOL AID

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall not be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY

If during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the conditions for qualifying for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for each and every year, shall become due and payable from the Applicant as if no exemption had been granted. The Tax Collector shall, within 15 days thereof, notify the owner of the Property of the amount of taxes due.

However, with respect to the disposal of the property, if it is determined that the new owner will continue to use the property pursuant to the conditions which qualify the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

ARTICLE IX: AFFORDABLE HOUSING TRUST FUND **CONTRIBUTION REQUIRED**

A. **Contribution.** The Entity will pay the City the sum of \$45,467, or \$1,500 per unit plus \$1.50 per square foot of parking garage, as a contribution. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;

- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Tax Agreement; and
- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Tax Agreement.

ARTICLE X: TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

In the event the owner elects to terminate this tax abatement after the revalue, the owner shall pay the City the difference of 100% of the full amount of the taxes otherwise due from the 1st year of this agreement to the date of termination.

ARTICLE XI: PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment & Contracting Agreement which is attached hereto as Exhibit C.

ARTICLE XII: PROJECT LABOR AGREEMENT AND LIVING WAGE REQUIREMENT (Projects with Construction Exceeding \$25 Million)

The Applicant shall execute a Project Labor Agreement as required by Ordinance 07-123 as it exists or as it may be amended from time to time.

The Applicant also agrees to comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required wage, benefit and leave standards for building service workers. All janitors and unarmed security guards employed at the Projects, including any and all tenants or subtenants of the developer, shall not be paid less than the standard hourly rate of pay and benefits for their respective classifications and shall be provided with paid leave in accordance with the provisions of the Jersey City Municipal Code Section 3-51G(1).

ARTICLE XIII: NOTICES

All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

Notice to City:

Business Administrator
City Hall, 280 Grove Street
Jersey City, New Jersey 07302

Notice to Applicant:

461-463 Newark Avenue, LLC
503 Division Street
Perth Amboy, New Jersey 08862
Att: Vincent A. Wilt

ARTICLE XIV: GENERAL PROVISIONS

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by a Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City and the Applicant have caused this Agreement to be executed on the date and year first above written.

WITNESS:

461-463 NEWARK AVENUE, LLC

BY: _____

Vincent A. Wilt

ATTEST:

CITY OF JERSEY CITY

BY: _____

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

New & Revised as of February, 2016

(Including Construction Jobs, for Projects with no PLA)

To accord with new Chapter 304 (Croson), only pages 1 through 7 have been amended.

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ____ day of ____, 2016, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **461-463 NEWARK AVENUE, LLC** [Recipient], having its principal office at 503 Division Street, Perth Amboy, NJ 08862.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway or other improvement on a Project Site.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council.
6. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. "Jersey City Employment and Training Corporation" or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
8. "Local Business" means a bona fide business located in Jersey City.
9. "Minority" means a person who is defined as such under federal or state law.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
11. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
12. "Project or Project Site" means the specific work location or locations specified in the contract.
13. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration, who is in charge of overseeing compliance of Project Employment & Contracting Agreements. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may incorporate referrals from JCEPT or its One-Stop Career Center if the City's agreement with JCEPT so provides.
14. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
15. The "Receipt's Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
16. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive also referred to as a developer.
17. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
18. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
19. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
20. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Construction Jobs, Business Contracting, Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is not subject to the terms of a Project Labor Agreement during construction, this agreement shall apply to all Construction Jobs, Business Contracts and non-construction Permanent Jobs. Recipients are also required to notify any commercial tenants of employment services available from the City.

III. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Exhibit A. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Exhibit B.

IV. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____ approving the tax exemption and terminate 5 years from the date of Substantial Completion of the Project.

V. Required Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. The goals are as follows:

1. **Employment (Construction and Permanent Jobs):** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing twenty (20%) percent of labor hours who are Minorities and who are women.
2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding ten (10%) percent of the dollar amount of its contracts to Minority or Women Owned Businesses.

VI. Construction Jobs Procedure:

1. **Construction Jobs:** Recipient shall comply with all of the following conditions:

A. Initial Contracting Report

- i) The Recipient shall submit the initial contracting report. A letter must be forwarded with requests for quotation or bid to the Office of Diversity and Inclusion for minority contractors or vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Exhibit C.
- ii) The Recipient shall contact those businesses to submit bids. An example of this letter can be found in Exhibit D.

B. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, the Recipient shall obtain from all Contractors/Subcontractors an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked, including a list of the number of minority residents and women that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Exhibit ____ is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept the Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Exhibit ____.

C. Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Exhibit ____.

D. Monthly Reports:

Manning Report (after construction commences)

- i) The Recipient will submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain all records supporting the reported work hours of its Contractors or Subcontractors.

Certified Payroll Report

- i) The Recipient will furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Exhibit ____.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

E. Annual Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will submit copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit and annually thereafter.

F. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

G. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

H. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Exhibit _____.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

VII. **Permanent Jobs Procedures:**

1. **Permanent Jobs:** Recipient shall comply with all of the following conditions:

- A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:
 - i) whether subcontractors will be used in the hiring process.
 - ii) the specific types of jobs that need to be filled.
 - iii) the qualifications needed for these particular jobs.
 - iv) possible training programs offered by the permanent employer.
 - v) the Recipient's goals and how it plans to meet these goals.
 - vi) any other issues which need to be addressed.
- B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.

- C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.
- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

VIII. Good Faith Defined. Business Contracts

A. Good Faith shall mean compliance with all of the following conditions:

i) Solicitation of Businesses:

- a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
- b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month.

It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

IX. Good Faith Defined. Commercial Tenants at the Project Site

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.

- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

X. Notices of Violation:

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

XI. Liquidated Damages:

1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:
 - A. Failure to file Initial Manning Report (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracts): an amount equal to Five percent (5%) increase in the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - B. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%)

percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.

- B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

XII. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

461-463 Newark Avenue, LLC
503 Division Street
Perth Amboy, New Jersey 08862
Att: Vincent A. Wilt

and

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

XIII. Appendix

These forms are examples only and shall be in substantially the form on file in the Division of Economic Opportunity, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report
7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XIV. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

461-463 NEWARK AVENUE, LLC

Secretary

Vincent A. Wilt

City Clerk File No. Ord. 16.154

Agenda No. 3.F 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.154

TITLE: AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6304, LOT 21, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 276 ST. PAULS AVENUE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, the City of Jersey City as an area in need of rehabilitation, is authorized to adopt an ordinance to utilize tax exemptions pursuant to N.J.S.A. 40A:21-1, et seq., the Five (5) Year Exemption and Abatement Law; and

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060, Section 304-6 et seq. of the Municipal Code, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for the construction of a new four (4) story building to contain approximately four (4) market rate residential rental units is permitted for a period of five (5) years; and

WHEREAS, 276 St. Pauls Ave, JC, LLC [Entity], is the owner of Property designated as Block 6304, Lot 21, on the City's Tax Map and more commonly known by the street address of 276 St. Pauls Avenue, Jersey City, NJ; and

WHEREAS, the Entity now plans to construct a new four (4) story building to contain approximately four (4) market rate residential rental units on the Property; and

WHEREAS, construction should be substantially complete on or about December 2017; and

WHEREAS, on or about August 24, 2016, the Entity filed an application for a five (5) year tax exemption to construct a new residential Project, a copy of which application is attached hereto; and

WHEREAS, 276 St. Pauls Ave, JC, LLC, proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and are currently taxed at the sum of \$6,915) a tax payment for the new improvements on the property, as follows:

- (a) 2017: the tax year in which the structure will be completed, \$0 taxes due on improvements;

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6304, LOT 21, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 276 ST. PAULS AVENUE

- (b) 2018: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$4,205;
- (c) 2019: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$8,409;
- (d) 2020: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$12,614; and
- (e) 2021: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$16,819;

WHEREAS, the Tax Assessor has determined that the new construction will generate an additional tax payment of \$6,915 for land and \$21,024 for improvements, for a total of \$27,939 a year; and

WHEREAS, the applicant has agreed that in the event the Citywide revaluation results in a decrease in the estimated amount of actual taxes otherwise due, then for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the commercial Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

WHEREAS, upon the expiration of the tax exemption, the total assessment, including both land and improvements, will generate a total tax payment of \$27,939; and

WHEREAS, 276 St. Pauls Ave, JC, LLC, has agreed to pay the sum of \$6,000 to the City's Affordable Housing Trust Fund, which shall be paid in intervals set forth in Section 304-28 of the Municipal Code.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of a new four (4) story building to contain approximately four (4) market rate residential rental units, located in Block 6304, Lot 21, and more commonly known by the street address of 276 St. Pauls Avenue, Jersey City, N.J., is hereby approved.
2. The Mayor or Business Administrator is hereby authorized to execute a tax exemption agreement which shall contain at a minimum, the following terms and conditions:

- (a) tax payment on the new improvements shall be:
 - (i) Year 1: the tax year in which the structure will be completed. \$0 taxes;
 - (ii) Year 2: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$4,205;

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6304, LOT 21, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 276 ST. PAULS AVENUE

- (iii) Year 3: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$8,409;
- (iv) Year 4: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$12,614; and
- (v) Year 5: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$16,819.

The applicant has agreed that in the event the Citywide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder; during this five (5) year period, the amount due hereunder shall be calculated on the higher of the amount estimated above or the actual taxes due after the revaluation; and

(b) The project shall be subject to all federal, state and local laws, and regulations on pollution control, worker safety, discrimination in employment, zoning, planning, and building code requirements pursuant to N.J.S.A. 40A:21-11(b).

(c) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The collector forthwith ad the tax collector shall, within 15 days thereof, notify the owner of the property of the amount of taxes due.

(d) With respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption shall continue, and the agreement shall remain in effect.

(e) At the termination of a tax exemption agreement, the new improvements shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a project, at the termination of an agreement, from qualifying for, an receiving the full benefits of, any other tax preferences provided by law.

(f) Affordable Housing Trust Fund: \$1,500 for each of the four (4) residential units, for a total of \$6,000.

3. An obligation to execute a Project Employment and Contracting Agreement and Project Labor Agreement to insure employment and other economic benefits to City residents and businesses.
4. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project achieves Substantial Completion within thirty-six (36) months of the date of adoption of the within Ordinance.
5. The form of tax exemption agreement is attached hereto as Exhibit B, subject to such modification as the Corporation counsel or Business Administrator deems necessary.

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6304, LOT 21, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 276 ST. PAULS AVENUE

6. The Tax Assessor shall send a copy of the fully executed Financial Agreement will be sent to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of execution pursuant to N.J.S.A. 40a:21-11(d).
- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner provided by law.
- D. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

LC/he
9/20/16

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED: _____

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

DATE: September 9, 2016

TO: Lee Chang (For distribution to City Council and City Clerk)

FROM: Al Cameron Tax Collector's Office

SUBJECT: FIVE-YEAR TAX ABATEMENT: 276 St. Paul's, LLC
Block 6304 Lot 21

CC: M. Cosgrove, E. Borja, J. Monahan, E. Toloza, M. Vigil, R. Kakoleski,
R. Lavarro, P. Leandre, K. Kane

INTRODUCTION

The applicant, 276 St. Paul's, LLC is applying for a five (5) Year tax abatement for a four (4) unit market rate residential rental project under N.J.S.A. 40 A: 21-1 et seq. The fee of \$800 was paid with the application.

LOCATION OF THE PROPERTY:

The property is located at St. Paul's avenue between Liberty and Skillman Avenues. It is Block 6304 Lot 21 and is known as 276 Saint Paul's Avenue.

PROPERTY TO BE CONSTRUCTED

The proposed project is new construction of a four (4) story four (4) unit market rate rental residential building. The units consist of one (1) one bedroom unit and three (3) two bedroom units.

TOTAL CONSTRUCTION COST:

The cost of construction is certified by the applicant's architect, Raul Cabato at \$595,000.
(Labor \$252,000 Materials \$343,000).

CONSTRUCTION SCHEDULE:

The applicant will begin construction within sixty (60) days of execution of the Financial Agreement and construction is expected within one (1) year of commencement.

ESTIMATED JOBS:

The applicant estimates fifty-two (52) jobs to be created during Construction. The applicant plans to self-manage the project and no additional jobs are anticipated

276 St. Paul's, LLC 5-yr Sum.docx
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after construction.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:

At \$1,500 per residential unit, the AHTF contribution is \$6,000 for the four (4) units.

CURRENT REAL ESTATE TAXES:

The assessment provided by the Tax Assessor of the land is \$89,800. Based upon that assessment at the current rate of \$77.01 the full tax on the land is \$6,915. All taxes for property of the applicant and affiliates are paid through the third quarter 2016.

PROPOSED ABATEMENT:

The applicant has requested a term of five (5) years for the abatement on the improvements. The Applicant will pay the full tax for the land tax in each and every year of the abatement and has proposed a phase-in of the assessment on improvements. See the attached Assessor's phase-in schedule of taxes on improvements.

PROPOSED REVENUE TO THE CITY:

The phase-in of taxes on improvements is shown in the table below.

Full taxes on the improvements projected for the five-year term of the abatement are \$109,408*.

Total exempted taxes for the term are \$64,780*. The net taxes collected for the term are \$44,630*.

The Tax Assessor estimated the final assessment based upon information provided by the Applicant. They reflect an estimated annual tax increase of two percent (2%) during the period. The estimated annual tax increase is not included in the Assessor's schedule.

*May be differences due to rounding.

Block 6307 Lot 21**Tax Projections on Improvements Only**

276 St. Paul's Avenue						Five Year
Year	1	2	3	4	5	Totals
Current Tax Rate	77.01	78.55	80.12	81.72	83.36	
Full Tax on Improvements	21,023.73	21,444.20	21,873.09	22,310.55	22,756.76	109,408.34
Phase in %	0%	20%	40%	60%	80%	
Phase in Tax on improvements	0.00	4,288.84	8,749.24	13,386.33	18,205.41	44,629.82
Exempted Tax	21,023.73	17,155.36	13,123.85	8,924.22	4,551.35	64,778.52

Assumes 2% Annual Tax Rate Increase

Per Tax Assessor

Assessments

Land	\$89,800
Improvements	<u>\$273,000</u>
Total	<u>\$362,800</u>

FISCAL IMPACT COST PROJECTION (TIER 1 - 5 YEAR)

Block: 6304 Lot: 21 Loc: 276 ST PAULS AVE.

Market Rate Units	Number of Units	Demographic Multipliers (Transit Oriented Development)**		Total		Annual Expenditures		Total Annual Expenditures		
		Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
1 Bedroom	1	1.421	0.050	1.42	0.05	\$1,172.97	\$3,673.00	\$1,666.79	\$183.65	\$1,850.44
2 Bedroom	3	2.012	0.120	6.04	0.36	\$1,172.97	\$3,673.00	\$7,080.06	\$1,322.28	\$8,402.34
TOTAL	4			7.46	0.41			\$8,746.86	\$1,505.93	\$10,252.79

1. Total Municipal Ratables		\$6,093,045,337	4. CY 2016 Budget		\$570,918,095	6. Population of Jersey City		9. Increase in Services Incurred Per Development		
						(2014 Census)		\$ 10,252.79		
2. Residential Ratables		\$3,281,646,604				7. Per Capita Municipal Cost		10. Anticipated Taxes (77.01 w/ 2% Annual Increase)		
Commercial Ratables		\$1,524,059,780				\$1,172.97		1st Year \$ 6,915.50		
3. Residential Ratables as a Percentage of Total Ratables		53.86%	5. Residential Portion		\$307,490,150	8. Annual Expenditures Per Student**		2nd Year \$ 11,342.65		
						\$3,673.00		3rd Year \$ 15,944.12		
								4th Year \$ 20,725.11		
								5th Year \$ 25,690.97		
								11. Implied Surplus (Cost)		
								1st Year \$ (3,337.29)		
								2nd Year \$ 1,089.86		
								3rd Year \$ 5,691.33		
								4th Year \$ 10,472.32		
								5th Year \$ 15,438.18		

Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs

*Source: New Jersey Demographic Multipliers: Profile of the Occupants of Residential and Nonresidential Development; Listokin, November 2006

**Source: 2015-2016 Jersey City Municipal Cost Per Pupil

NEW ASSESSMENT AFTER IMPROVEMENTS

LAND: 89,800
BLDG: 273,000

276 ST. PAULS JC, LLC
 BLOCK 6304 Lot 21
 276 St. Pauls Avenue

6304-21

Block	Lot		Existing Assessments	New Assessment	Assessment (Phased-In)
6304	21	Land	63,600	89800	0
		Bldg	0	273000	273000
		Total	63600	362800	273000

**Est. In-Lieu of Full Property Tax Payments An Amount
 Equal To A Percentage Of Taxes Otherwise Due On New
 Improvement According To The Following Billing Schedule:**

Year

1	In the first full tax year after completion, no payment in lieu of taxes otherwise due;	\$0
2	In the second tax year, an amount equal to 20% of taxes otherwise due, estimated to be the sum of;	\$4,205
3	In the third tax year, an amount equal to 40% of taxes otherwise due, estimated to be the sum of ;	\$8,409
4	In the fourth tax year, an amount eaqual to 60% of taxes otherwise due, estimated to be the sum of;	\$12,614
5	In the fifth tax year, an amount equal to 80% of taxes otherwise due, estimated to be the sum of;	\$16,819

AT THE EXPIRATION OF THE EXEMPTION, THE PROJECT'S NEW IMPROVEMENT WILL GENERATE APPROXIMATELY THE SUM OF ANNUALLY;	\$21,024
Total Land & Improvement @ 100% Valuation	\$27,939

Note: 2016 Tax Rate \$77.01/ Thousand of A.V.
 9/9/2016

TIER ONE (5 YEAR) -- 9/20/16
NJSA 40A:21-1 et seq
(Multiple Dwelling, Industrial, Commercial)

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this ____ day of _____, 2016, by and between the **CITY OF JERSEY CITY** [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey 07302, and **276 ST. PAULS AVE, JC, LLC**, [Applicant/Owner], whose principal place of business is 222 Duncan Ave., Jersey City, New Jersey 07306.

WITNESSETH:

WHEREAS, the Municipal Council has indicated by its intention to utilize the five year tax exemption provisions authorized by Article VIII, Section I, paragraph VI of the NJ State Constitution and the Five Year Exemption Law, N.J.S.A. 40A:21-1 et seq. for improvements and projects by the adoption of Ordinance 05-060, as amended by Ordinances 07-146 and 14-027; and

WHEREAS, the Applicant is owner of certain property located at 276 St. Pauls Avenue, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block 6304, Lot 21 on the Tax Assessor's Map, and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

WHEREAS, on or about August 24, 2016, the Applicant applied for a five year tax exemption to construct a new four (4) story building to contain approximately four (4) market rate residential rental units on the Property pursuant to N.J.S.A. 40A:21-1 et seq and Section 304-12 of the Municipal Code [Law]; and

WHEREAS, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance ____ on ____.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of a new a new four (4) story building to contain approximately four (4) market rate residential rental units on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq., and Ordinance ____ which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make estimated payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar of Year 1, no payment in lieu of taxes;
2. For the full calendar of Year 2, twenty (20%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$4,205;
3. For the full calendar of Year 3, forty (40%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$8,409;
4. For the full calendar of Year 4, sixty (60%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$12,614; and
5. For the full calendar of Year 5, eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$16,819.

In the event a City-wide revaluation results in decrease in the amount of taxes otherwise due, payment hereunder shall be the higher of either the taxes estimated above or the amount of actual taxes after the City-wide revaluation.

ARTICLE III: APPLICATION FEE

The Applicant has paid the sum of **\$800** to the City as an application fee. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES IV: FEDERAL, STATE AND LOCAL LAW

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

ARTICLE V: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full years beginning the first day of the month after the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above.

Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VI: REVALUE

The applicant has agreed that in the event the revalue results in a decrease in the amount of actual taxes otherwise due, for purposes of calculating a tax payment hereunder during the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes.

ARTICLE VII: NO COUNTY EQUALIZATION AND SCHOOL AID

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall not be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY

If during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the conditions for qualifying for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for each and every year, shall become due and payable from the Applicant as if no exemption had been granted. The Tax Collector shall, within 15 days thereof, notify the owner of the Property of the amount of taxes due.

However, with respect to the disposal of the property, if it is determined that the new owner will continue to use the property pursuant to the conditions which qualify the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

ARTICLE IX: AFFORDABLE HOUSING TRUST FUND CONTRIBUTION REQUIRED

A. **Contribution.** The Entity will pay the City the total sum of \$6,000, or \$1,500 for each of the four (4) units, as a contribution. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project,

but no later than six months after the date of the Tax Agreement; and

- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Tax Agreement.

ARTICLE X: TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

In the event the owner elects to terminate this tax abatement after the revalue, the owner shall pay the City the difference of 100% of the full amount of the taxes otherwise due from the 1st year of this agreement to the date of termination.

ARTICLE XI: PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment & Contracting Agreement which is attached hereto as Exhibit C.

ARTICLE XII: PROJECT LABOR AGREEMENT AND LIVING WAGE REQUIREMENT (Projects with Construction Exceeding \$25 Million)

The Applicant shall execute a Project Labor Agreement as required by Ordinance 07-123 as it exists or as it may be amended from time to time.

The Applicant also agrees to comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required wage, benefit and leave standards for building service workers. All janitors and unarmed security guards employed at the Projects, including any and all tenants or subtenants of the developer, shall not be paid less than the standard hourly rate of pay and benefits for their respective classifications and shall be provided with paid leave in accordance with the provisions of the Jersey City Municipal Code Section 3-51G(1).

ARTICLE XIII: NOTICES

All notices to be given with respect to this Agreement shall be in writing. Each notice

shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

Notice to City:

Business Administrator
City Hall, 280 Grove Street
Jersey City, New Jersey 07302

Notice to Applicant:

276 St. Pauls Ave, JC, LLC
222 Duncan Avenue
Jersey City, New Jersey 07306
Attn: Onkar Singh

ARTICLE XIV: GENERAL PROVISIONS

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by a Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City and the Applicant have caused this Agreement to be executed on the date and year first above written.

WITNESS:

276 ST. PAULS AVE. JC, LLC

BY: _____
Onkar Singh, Owner

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

BY: _____
Robert J. Kakoleski
Business Administrator

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ___ day of _____, 2016, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **276 ST. PAULS AVE, JC, LLC** [Recipient], having its principal office at 222 Duncan Avenue, Jersey City, NJ 07306.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway or other improvement on a Project Site.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council.
6. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. "Jersey City Employment and Training Corporation" or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
8. "Local Business" means a bona fide business located in Jersey City.
9. "Minority" means a person who is defined as such under federal or state law.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
11. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
12. "Project or Project Site" means the specific work location or locations specified in the contract.
13. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration, who is in charge of overseeing compliance of Project Employment & Contracting Agreements. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may incorporate referrals from JCEPT or its One-Stop Career Center if the City's agreement with JCEPT so provides.
14. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
15. The "Receipt's Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
16. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive also referred to as a developer.
17. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
18. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
19. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
20. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Construction Jobs, Business Contracting, Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is not subject to the terms of a Project Labor Agreement during construction, this agreement shall apply to all Construction Jobs, Business Contracts and non-construction Permanent Jobs. Recipients are also required to notify any commercial tenants of employment services available from the City.

III. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Exhibit A. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Exhibit B.

IV. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____ approving the tax exemption and terminate 5 years from the date of Substantial Completion of the Project.

V. Required Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. The goals are as follows:

1. **Employment (Construction and Permanent Jobs):** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing twenty (20%) percent of labor hours who are Minorities and who are women.
2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding ten (10%) percent of the dollar amount of its contracts to Minority or Women Owned Businesses.

VI. Construction Jobs Procedure:

1. **Construction Jobs:** Recipient shall comply with all of the following conditions:

A. Initial Contracting Report

- i) The Recipient shall submit the initial contracting report. A letter must be forwarded with requests for quotation or bid to the Office of Diversity and Inclusion for minority contractors or vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Exhibit C.
- ii) The Recipient shall contact those businesses to submit bids. An example of this letter can be found in Exhibit D.

B. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, the Recipient shall obtain from all Contractors/Subcontractors an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked, including a list of the number of minority residents and women that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Exhibit ____ is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept the Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Exhibit ____.

C. Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Exhibit ____.

D. Monthly Reports:

Manning Report (after construction commences)

- i) The Recipient will submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain all records supporting the reported work hours of its Contractors or Subcontractors.

Certified Payroll Report

- i) The Recipient will furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Exhibit ____.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

E. Annual Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will submit copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit and annually thereafter.

F. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

G. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

H. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Exhibit ____.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

VII. Permanent Jobs Procedures:

1. **Permanent Jobs:** Recipient shall comply with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.
- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed.

B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.

- C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.
- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

VIII. Good Faith Defined. Business Contracts

A. Good Faith shall mean compliance with all of the following conditions:

- i) Solicitation of Businesses:
 - a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
 - b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
 - c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
 - d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
 - e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
 - f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be

provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

IX. Good Faith Defined. Commercial Tenants at the Project Site

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.

- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

X. Notices of Violation:

1. **Advisory Notice:** The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
2. **Violation Notice:** If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
3. **Correcting the Violation:** Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
4. **Extension of Time to Correction:** Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

XI. Liquidated Damages:

1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:
 - A. Failure to file Initial Manning Report (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracts): an amount equal to Five percent (5%) increase in the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.

- B. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

XII. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

276 St. Pauls Ave, JC, LLC
222 Duncan Avenue
Jersey City, NJ 07306
Attn: Onkar Singh

and

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

XIII. Appendix

These forms are examples only and shall be in substantially the form on file in the Division of Economic Opportunity, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report
7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XIV. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

276 ST. PAULS AVENUE, JC, LLC

Secretary

Onkar Singh, Owner

City Clerk File No. Ord. 16.155

Agenda No. 3.6 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.155

TITLE: AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 10801, LOT 8.01, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 65 NEWKIRK AVENUE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, the City of Jersey City as an area in need of rehabilitation, is authorized to adopt an ordinance to utilize tax exemptions pursuant to N.J.S.A. 40A:21-1, et seq., the Five (5) Year Exemption and Abatement Law; and

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060, Section 304-6 et seq. of the Municipal Code, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for the construction of a new five (5) story building to contain approximately twenty-nine (29) market rate residential rental units is permitted for a period of five (5) years; and

WHEREAS, Newkirk Realty Urban Renewal, LLC [Entity], is the owner of Property designated as Block 10801, Lot 8.01 on the City's Tax Map and more commonly known by the street address of 65 Newkirk Avenue, Jersey City, NJ; and

WHEREAS, the Entity now plans to construct a new five (5) story building to contain twenty-nine (29) market rate residential rental units; and

WHEREAS, construction should be substantially complete on or about October 2018; and

WHEREAS, on August 4, 2016, the Entity filed an application for a five (5) year tax exemption to construct a new commercial use Project, a copy of which application is attached hereto; and

WHEREAS, Newkirk Realty Urban Renewal, LLC, proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and are currently taxed at the sum of \$17,281) a tax payment for the new improvements on the property, as follows:

- (a) 2017: the tax year in which the structure will be completed, \$0 taxes due on improvements;

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 10801, LOT 8.01 ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 65 NEWKIRK AVENUE

- (b) 2018: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$22,119;
- (c) 2019: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$44,238;
- (d) 2020: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$66,356; and
- (e) 2021: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$88,475;

WHEREAS, the Tax Assessor has determined that the new construction will generate an additional tax payment of \$17,281 for land and \$110,594 for improvements, for a total of \$127,875 a year; and

WHEREAS, the applicant has agreed that in the event the Citywide revaluation results in a decrease in the estimated amount of actual taxes otherwise due, then for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the commercial Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

WHEREAS, upon the expiration of the tax exemption, the total assessment, including both land and improvements, will generate a total tax payment of \$127,875; and

WHEREAS, Newkirk Realty Urban Renewal, LLC, has agreed to pay the sum of \$43,500 to the City's Affordable Housing Trust Fund, which shall be paid in intervals set forth in Section 304-28 of the Municipal Code.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of a new five (5) story building to contain approximately twenty-nine (29) residential units, located in Block 10801, Lot 8.01, and more commonly known by the street address of 65 Newkirk Avenue, Jersey City, N.J., is hereby approved.

2. The Mayor or Business Administrator is hereby authorized to execute a tax exemption agreement which shall contain at a minimum, the following terms and conditions:

- (a) tax payment on the new improvements shall be:
 - (i) Year 1: the tax year in which the structure will be completed, \$0 taxes;
 - (ii) Year 2: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$22,119;

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 10801, LOT 8.01 ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 65 NEWKIRK AVENUE

- (iii) Year 3: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$44,238;
- (iv) Year 4: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$66,356; and
- (v) Year 5: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$88,475.

The applicant has agreed that in the event the Citywide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder; during this five (5) year period, the amount due hereunder shall be calculated on the higher of the amount estimated above or the actual taxes due after the revaluation; and

(b) The project shall be subject to all federal, state and local laws, and regulations on pollution control, worker safety, discrimination in employment, zoning, planning, and building code requirements pursuant to N.J.S.A. 40A:21-11(b).

(c) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The collector forthwith ad the tax collector shall, within 15 days thereof, notify the owner of the property of the amount of taxes due.

(d) With respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption shall continue, and the agreement shall remain in effect.

(e) At the termination of a tax exemption agreement, the new improvements shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a project, at the termination of an agreement, from qualifying for, an receiving the full benefits of, any other tax preferences provided by law.

(f) Affordable Housing Trust Fund: \$1,500 x twenty-nine (29) residential units, for a total of \$43,500.

3. An obligation to execute a Project Employment and Contracting Agreement and Project Labor Agreement to insure employment and other economic benefits to City residents and businesses.
4. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project achieves Substantial Completion within thirty-six (36) months of the date of adoption of the within Ordinance.
5. The form of tax exemption agreement is attached hereto as Exhibit B, subject to such modification as the Corporation counsel or Business Administrator deems necessary.

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 10801, LOT 8.01 ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 65 NEWKIRK AVENUE

6. The Tax Assessor shall send a copy of the fully executed Financial Agreement will be sent to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of execution pursuant to N.J.S.A. 40a:21-11(d).

A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

B. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

C. This ordinance shall take effect at the time and in the manner provided by law.

D. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

LC/he
9/20/16

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

DATE: September 9, 2016

TO: Lee Chang (For distribution to City Council and City Clerk)

FROM: Al Cameron, Fiscal Officer - Tax Collector's Office

SUBJECT: FIVE YEAR TAX ABATEMENT: MARKET RATE RESIDENTIAL RENTAL PROJECT
– NEWKIRK REALTY URBAN RENEWAL, LLC - Block 10801 Lot 8.01

CC: M. Cosgrove, J. Monahan, E. Borja, E. Toloza, M. Vigil, R. Kakoleski,
R. Lavarro, P. Leandre, K. Kane

INTRODUCTION:

The applicant, Newkirk Realty Urban Renewal, LLC, is applying for a five (5) Year tax abatement for a five (5) story, twenty-nine (29) unit market rate residential rental project pursuant to N.J.S.A. 40 A: 21-1 et seq. A fee of \$9,500 was paid with the application.

LOCATION OF THE PROPERTY:

The property is located at 65 Newkirk Avenue between Summit and Baldwin Avenues. It is the consolidation of Block 10801, Lots 8 & 9, now Lot 8.01 on the Jersey City Tax Map. It is within the Neighborhood Mixed-Use district of the Journal Square 2060 Redevelopment Plan.

PROPERTY TO BE CONSTRUCTED:

The project is a five (5) story market rate residential rental building. It will have twenty-nine market rate (29) residential units, a tenant accessible roof deck and bicycle storage.

The twenty-nine (29) residential units are as follows:

<u>Unit Type</u>	<u>Number of Units</u>
Studio	4
One Bedroom	20
Two Bedroom	5

TOTAL CONSTRUCTION COST:

The cost of construction is certified by the applicant's architect, Adam Kushner, at \$5,668,755. The cost of labor is projected at \$1,988,513.55 and materials at \$2,982,770.32. These projections do not include Insurance, worker's comp., general conditions or contractor's fees. Total Project cost is estimated at \$9,696,789.

CONSTRUCTION SCHEDULE:

Applicant is prepared to start construction start once all approvals are in place. Completion is projected within twenty-four (24) months of commencement;

ESTIMATED JOBS CREATED:

The applicant estimates fifty (50) full-time equivalent jobs during construction. No additional post construction jobs are anticipated. Based upon the projected cost of construction a Project labor agreement is not required. However; the applicant will execute a Project Employment and Contracting Agreement.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:

At \$1,500 per residential unit the affordable Housing Trust Fund Contribution for twenty-nine (29) units is 43,500.

CURRENT REAL ESTATE TAXES:

The new assessment provided by the Tax Assessor for the land is \$224,400 and the proposed building is \$1,436,100. Based upon that assessment at the current rate of \$77.01 the tax for the land is \$17,281. The full tax on the improvements at current the rate is \$110,594.

PROPOSED ABATEMENT:

The applicant has requested a term of five (5) years for the abatement on the improvements. The Applicant will pay the full tax for the land tax in each and every year of the abatement and has proposed a phase-in of the assessment on improvements. In year one (1) the applicant proposes no taxes on improvements. In year two (2) the applicant would pay taxes on twenty percent (20%) of the improvements. The applicant would pay forty percent (40%) in year three (3), sixty percent (60%) in year four (4), Eighty percent (80%) in year five (5) and full taxes in year six (6).

PROPOSED REVENUE TO THE CITY:

The total phased-in tax on improvements projected to be paid for the five-year term of the abatement is \$234,772. The total tax exempted on the improvements for the term is \$340,763. The Tax Assessor set the assessment based upon information provided by the Applicant. The schedule below adds a two percent (2%) annual increase in the tax rate. The Assessor's Schedule does not include a projected increase in the Tax Rate.

Block 10801 Lot 8.01**Tax Projections on Improvements Only**

65 Newkirk						Five Year
Year	1	2	3	4	5	Totals
Current Tax Rate	77.01	78.55	80.12	81.72	83.36	
Full Tax on Improvements	110,594.06	112,805.94	115,062.06	117,363.30	119,710.57	575,535.93
Phase in %	0%	20%	40%	60%	80%	
Phase in Tax on improvements	0.00	22,561.19	46,024.82	70,417.98	95,768.45	234,772.45
Exempted Tax	110,594.06	90,244.75	69,037.24	46,945.32	23,942.11	340,763.49

Assumes 2% Annual Tax Rate Increase**Per Tax Assessor:****Assessments**

Land	\$224,400
Improvements	<u>\$1,436,100</u>
Total	<u><u>\$1,660,500</u></u>

**NEWKIRK REALTY LLC
BLOCK 10801 Lot 8.01
65 Newkirk St.**

Block	Lot		Existing Assessments	New Assessment	Assessment (Phased-In)
10801	8.01	Land	92,800	224,400	-
		Bldg	37,000	1,436,100	1,436,100
		Total	129,800	1,660,500	1,436,100

**Est. In-Lieu of Full Property Tax Payments An Amount
Equal To A Percentage Of Taxes Otherwise Due On Improvement,
According To The Following Schedule:
(Subject To Prevailing Rate and Assessment Ratio at Completion)**

Year

1	In the first full tax year after completion, no payment in lieu of taxes otherwise due;	\$0
2	In the second tax year, an amount equal to 20% of conventional taxes on improvement, estimated to be the sum of;	\$22,119
3	In the third tax year, an amount equal to 40% of conventional taxes on improvement, estimated to be the sum of ;	\$44,238
4	In the fourth tax year, an amount equal to 60% of conventional taxes on improvement, estimated to be the sum of;	\$66,356
5	In the fifth tax year, an amount equal to 80% of conventional taxes on improvement, estimated to be the sum of;	\$88,475

**AT THE EXPIRATION OF THE EXEMPTION ON NEW IMPROVEMENT, THE TOTAL
YEARLY TAXES WOULD APPROXIMATELY BE THE SUM OF;** **\$110,594**

**Note: 2016 Tax Rate \$77.01/ Thousand of A.V.
8/12/2016**

FISCAL IMPACT COST PROJECTION (TIER 1 - 5 YEAR)

Block: 10801 Lot: 8.01 Loc: 65 NEWKIRK ST.

Market Rate Units	Number of Units	Demographic Multipliers (Transit Oriented Development)*		Total		Annual Expenditures		Total Annual Expenditures		
						Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
Planned Development		Household	Students	Residents	Students					
Studio	4	1.000	0.000	4.00	0.00	\$1,172.97	\$3,673.00	\$4,691.89	\$0.00	\$4,691.89
1 Bedroom	20	1.421	0.050	28.42	1.00	\$1,172.97	\$3,673.00	\$33,335.89	\$3,673.00	\$37,008.89
2 Bedroom	5	2.012	0.120	10.06	0.60	\$1,172.97	\$3,673.00	\$11,800.11	\$2,203.80	\$14,003.91
3 Bedroom		2.798	0.560	0.00	0.00	\$1,172.97	\$3,673.00	\$0.00	\$0.00	\$0.00
TOTAL	29			42.48	1.60			\$49,827.89	\$5,876.80	\$55,704.69

1. Total Municipal Ratables	\$6,093,045,337	4. CY 2016 Budget	\$570,918,095	6. Population of Jersey City (2014 Census)	262,146	9. Increase in Services Incurred Per Development	\$ 55,704.69
2. Residential Ratables	\$3,281,646,604			7. Per Capita Municipal Cost	\$1,172.97	10. Anticipated Taxes (77.01 w/ 2% Annual Increase)	
Commercial Ratables	\$1,524,059,780					1st Year	\$ 17,281.04
				8. Annual Expenditures Per Student**	\$3,673.00	2nd Year	\$ 40,187.85
3. Residential Ratables as a Percentage of Total Ratables	53.86%	5. Residential Portion	\$307,490,150			3rd Year	\$ 64,004.02
						4th Year	\$ 88,756.76
						5th Year	\$ 114,474.01
						11. Implied Surplus (Cost)	
						1st Year	\$ (38,423.64)
						2nd Year	\$ (15,516.83)
						3rd Year	\$ 8,299.33
						4th Year	\$ 33,052.08
						5th Year	\$ 58,769.32

Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs

*Source: New Jersey Demographic Multipliers: Profile of the Occupants of Residential and Nonresidential Development; Listokin, November 2006

**Source: 2015-2016 Jersey City Municipal Cost Per Pupil

NEW ASSESSMENT AFTER IMPROVEMENTS

LAND: 224,400
BLDG: 1,436,100

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this _____ day of _____, 2016, by and between the **CITY OF JERSEY CITY [City]**, a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey 07302, and, **NEWKIRK REALTY URBAN RENEWAL, LLC [Applicant/Owner]**, whose principal place of business is 390 Broadway, 4th Floor, New York, New York 10013.

WITNESSETH:

WHEREAS, the Municipal Council has indicated by its intention to utilize the five year tax exemption provisions authorized by Article VIII, Section I, paragraph VI of the NJ State Constitution and the Five Year Exemption Law, N.J.S.A. 40A:21-1 et seq. for improvements and projects by the adoption of Ordinance 05-060, as amended by Ordinances 07-146 and 14-027; and

WHEREAS, the Applicant is owner of certain property located at 65 Newkirk Street, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block 10801, Lot 8.01, on the Tax Assessor's Map, and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

WHEREAS, on August 4, 2016, the Applicant applied for a five year tax exemption to construct a new five (5) story building containing approximately twenty-nine (29) market rate residential rental units on the Property pursuant to N.J.S.A. 40A:21-1 et seq and Section 304-12 of the Municipal Code [Law]; and

WHEREAS, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance _____ on _____.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of a new five (5) story building containing approximately twenty-nine (29) market rate residential rental units [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance _____ which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make estimated payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar of Year 1, no payment in lieu of taxes;
2. For the full calendar of Year 2, twenty (20%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$22,119;
3. For the full calendar of Year 3, forty (40%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$44,238;
4. For the full calendar of Year 4, sixty (60%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$66,356; and
5. For the full calendar of Year 5, eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$88,475.

In the event a City-wide revaluation results in decrease in the amount of taxes otherwise due, payment hereunder shall be the higher of either the taxes estimated above or the amount of actual taxes after the City-wide revaluation.

ARTICLE III: APPLICATION FEE

The Applicant has paid the sum of **\$9,500** to the City as an application fee. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES IV: FEDERAL, STATE AND LOCAL LAW

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

ARTICLE V: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full years beginning the first day of the month after the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above.

Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VI: REVALUE

The applicant has agreed that in the event the revalue results in a decrease in the amount of actual taxes otherwise due, for purposes of calculating a tax payment hereunder during the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes.

ARTICLE VII: NO COUNTY EQUALIZATION AND SCHOOL AID

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall not be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY

If during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the conditions for qualifying for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for each and every year, shall become due and payable from the Applicant as if no exemption had been granted. The Tax Collector shall, within 15 days thereof, notify the owner of the Property of the amount of taxes due.

However, with respect to the disposal of the property, if it is determined that the new owner will continue to use the property pursuant to the conditions which qualify the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

ARTICLE IX: AFFORDABLE HOUSING TRUST FUND CONTRIBUTION REQUIRED

A. **Contribution.** The Entity will pay the City the sum of \$43,500 or \$1,500 for each of the twenty-nine (29) residential units, as a contribution. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project,

but no later than six months after the date of the Tax Agreement; and

- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Tax Agreement.

ARTICLE X: TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

In the event the owner elects to terminate this tax abatement after the revalue, the owner shall pay the City the difference of 100% of the full amount of the taxes otherwise due from the 1st year of this agreement to the date of termination.

ARTICLE XI: PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment & Contracting Agreement which is attached hereto as Exhibit C.

ARTICLE XII: PROJECT LABOR AGREEMENT AND LIVING WAGE REQUIREMENT (Projects with Construction Exceeding \$25 Million)

The Applicant shall execute a Project Labor Agreement as required by Ordinance 07-123 as it exists or as it may be amended from time to time.

The Applicant also agrees to comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required wage, benefit and leave standards for building service workers. All janitors and unarmed security guards employed at the Projects, including any and all tenants or subtenants of the developer, shall not be paid less than the standard hourly rate of pay and benefits for their respective classifications and shall be provided with paid leave in accordance with the provisions of the Jersey City Municipal Code Section 3-51G(1).

ARTICLE XIII: NOTICES

All notices to be given with respect to this Agreement shall be in writing. Each notice

shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

Notice to City:

Business Administrator
City Hall, 280 Grove Street
Jersey City, New Jersey 07302

Notice to Applicant:

Newkirk Realty Urban Renewal,
LLC and/or Titanium Realty Group
390 Broadway, 4th Floor,
New York, New York 10013
Attn: Diego Hodara

ARTICLE XIV: GENERAL PROVISIONS

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by a Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City and the Applicant have caused this Agreement to be executed on the date and year first above written.

WITNESS:

**NEWKIRK REALTY URBAN
RENEWAL, LLC**

BY: _____
Diego Hodara, Managing Member

ATTEST:

CITY OF JERSEY CITY

**Robert Byrne
City Clerk**

BY: _____
**Robert J. Kakolesski
Business Administrator**

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ____ day of _____, 2016, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **NEWKIRK REALTY URBAN RENEWAL, LLC** [Recipient], having its principal office at 390 Broadway, 4th Floor, New York, NY 10013.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway or other improvement on a Project Site.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council.
6. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. "Jersey City Employment and Training Corporation" or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
8. "Local Business" means a bona fide business located in Jersey City.
9. "Minority" means a person who is defined as such under federal or state law.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
11. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
12. "Project or Project Site" means the specific work location or locations specified in the contract.
13. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration, who is in charge of overseeing compliance of Project Employment & Contracting Agreements. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may incorporate referrals from JCEPT or its One-Stop Career Center if the City's agreement with JCEPT so provides.
14. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
15. The "Receipt's Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
16. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive also referred to as a developer.
17. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
18. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
19. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
20. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Construction Jobs, Business Contracting, Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is not subject to the terms of a Project Labor Agreement during construction, this agreement shall apply to all Construction Jobs, Business Contracts and non-construction Permanent Jobs. Recipients are also required to notify any commercial tenants of employment services available from the City.

III. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Exhibit A. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Exhibit B.

IV. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____ approving the tax exemption and terminate 5 years from the date of Substantial Completion of the Project.

V. Required Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. The goals are as follows:

1. **Employment (Construction and Permanent Jobs):** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing twenty (20%) percent of labor hours who are Minorities and who are women.
2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding ten (10%) percent of the dollar amount of its contracts to Minority or Women Owned Businesses.

VI. Construction Jobs Procedure:

1. **Construction Jobs:** Recipient shall comply with all of the following conditions:

A. Initial Contracting Report

- i) The Recipient shall submit the initial contracting report. A letter must be forwarded with requests for quotation or bid to the Office of Diversity and Inclusion for minority contractors or vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Exhibit C.
- ii) The Recipient shall contact those businesses to submit bids. An example of this letter can be found in Exhibit D.

B. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, the Recipient shall obtain from all Contractors/Subcontractors an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked, including a list of the number of minority residents and women that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Exhibit ____ is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept the Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Exhibit ____.

C. Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Exhibit ____.

D. Monthly Reports:

Manning Report (after construction commences)

- i) The Recipient will submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain all records supporting the reported work hours of its Contractors or Subcontractors.

Certified Payroll Report

- i) The Recipient will furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Exhibit ____.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

E. Annual Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will submit copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit and annually thereafter.

F. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

G. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

H. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Exhibit _____.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

VII. Permanent Jobs Procedures:

1. **Permanent Jobs:** Recipient shall comply with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.
- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed.

B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.

- C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.
- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

VIII. **Good Faith Defined. Business Contracts**

A. Good Faith shall mean compliance with all of the following conditions:

i) Solicitation of Businesses:

- a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
- b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be

provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
 - h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
 - i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
 - j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.
- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

IX. Good Faith Defined. Commercial Tenants at the Project Site

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.

- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

X. Notices of Violation:

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

XI. Liquidated Damages:

1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:
 - A. Failure to file Initial Manning Report (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracts): an amount equal to Five percent (5%) increase in the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.

- B. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

XII. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

Newkirk Realty Urban Renewal, LLC
and/or Titanium Realty Group
390 Broadway, 4th Floor,
New York, New York 10013
Att: Diego Hodara

and

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

XIII. Appendix

These forms are examples only and shall be in substantially the form on file in the Division of Economic Opportunity, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report
7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XIV. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

**NEWKIRK REALTY URBAN RENEWAL,
LLC**

Secretary

Diego Hodara
Managing Member